Acceptance of the Provisions of Paris Convention

59. SHRI ASHOK MITRA: Will the Minister of INDUSTRY be pleased to state:

(a) the reasons for Government's decision to accept the provisions of the Paris Convention; and

(b) whether legal advice has been sought on the propriety of announcing this decision before Parliament has approved the necessary amendments to the Patents Act of 1970?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) Government decided to join the Paris Convention for the Protection of Industrial Property Rights in view of the following advantages:—

— Improved information flow

— Better and more extensive protection for Indian inventors abroad

— Benefit of National Treatment to Indian inventors

— Support to India's export efforts

— Encouragement to scientific research and technological development

— Membership of the Patent Cooperation Treaty and other treaties.

(b) The decision to accede to the Paris Convention is not related to the amendment to the Patents Act, 1970 as the Patents Act is compatible with the Paris Convention.

Impact of liberalisation on SSIs

60. SHRI NARENDRA MOHAN: will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that under the plea of "Commitment in principle to World Trade Organisation (WTO)" Government are thinking of removing restrictions on imports relating to 600 items reserved for small scale industry; and

(b) if so, what incentives, both technology-wise and liberal financial package-wise, are going to be given to SSIs to enable them to withstand the impact of liberal imported goods competition?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) Under Article XVIII-B of GATT, read with the understanding on Balance of Payments Provisions of GATT 1994, India is required to remove all quantitative restrictions on imports, maintained for balance of payments reasons, when the BOP position is considered to have improved in such manner as to render such restrictions unnecessary. As requested by the WTO Committee on Balance of Payments Restrictions, to whom IMF submitted a report of India's BOP position, India presented a phase-out schedule for removal of quantitative restrictions on all imports, maintained for BOP reasons. This was later negotiated with all trading partners and a six year phase-out schedule was agreed with all parties, except the USA, who chose to file a dispute against India in the WTO. The WTO Panel on the US-India dispute is expected to give its decision shortly. The phase-out plan for removal of quantitative restrictions includes items reserved for production in the small scale sector in India.

(b) In order to enable the small scale industries to face competition from liberalised imports of the items produced by them, several steps have been taken by Government. These include setting up of Tool Rooms and other technology support institutions, establishments of Technology Development and Modernisation Fund of SIDBI, enhancement of investment limit for SSI and steps for improving credit flow to the SSI sector.

Industrial growth

61. DR. MOHAN BABU: Will the Minister of INDUSTRY be pleased to state:

(a) what was the target of industrial growth in the country during the Eighth Plan period;

(b) whether it is a fact that achievement fell short of target during that period;

(c) if so, the reasons therefor; and

(d) what is the target of industrial growth during the Ninth Plan?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) to (c) Against the target of 7.4% during the Eighth Pan (1992-93 to 1996-97) the actual growth of the Industrial production during the pan was 7.2%. Thus over 97% of the plan target of the industrial production was achieved.

The reason for actual industrial growth during 8th Plan falling marginaly behind the target was mainly because of slowdown in investment and inadequate availabillity of infrastructure.

(d) The target of industrial growth for the Ninth Plan is yet to be finalised by the Planning Commission.

Selection of Professionals for Navratna PSUs

62. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Search Committee formed by Government has selected professionals for the boards of the Navratna public sector undertakings;

(b) if so, whether Government have accepted the recommendations; and

(c) if not, by when these appointments will be cleared by Government?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL): (a) Yes; Sir.

(b) In respect of 5 Navratna PSEs, Government has approved the appointment of four non-official directors each.

(c)The proceess of induction of non-official directors in the remaining six Navratna PSEs is in progress and appointments will be made as soon as the requisite formalities are competed.

Board level changes in Navratna PSUs

63. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that of the even Navratna public sector undertakings only three have actuay seen changes in their boards;

(b) if so, the reasons therefor;

(c) whether Government are aware of the fact that due to non effecting any change in the Boards, the companies have not been able to move ahead with their investment pans under the Navratna Policy; and

(d) by when Government propose to bring in the necessary changes?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRI SUKHBIR SINGH BADAL): (a) Yes; Sir.

(b) and (d) Government has approved the appointment of non-official directors on the Boards of two other Navratna PSEs also. In the remaining six PSEs the process of induction of non-official directors is in progress and appointments will be made on completion of the requisite formalities.

(c) Yes; Sir.

Sluggish Industrial Production

64. DR. MANMOHAN SINGH: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that the industrial production during the current fiscal year continues to remain sluggish;

(b) whether the packages announced by Government thus for have failed to stimulate industrial activity; and

(c) if so, what further steps are contemplated to accelerate the pace of industrial activity?

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): (a) The industrial growth during the current financial year 1998-99 for the period April-September is 3.6% as compared to 6.0% during corresponding period of the previous year shows a slowdown in production.

(b) The slowdown in industrial growth can be attributed to both the domestic and exernal factors. Domestic factors include weak demand on account of inadeequate investment in infrastructure sectors, like power, ports and transport, and slow down in general investment mainly due to capital market conditions and partly due to corporate restructuring in some industries in order to become internationally competitive. On the external side, the export growth has been negative which has been aggravated by fall in world exports.

The demand has been slackening for basic good like steel, cement, commercial vehicles, capital goods as well as consumer durables. This has resulted in cut back of production by the industries and build-up of inventories.